

COOK, YANCEY, KING & GALLOWAY

A PROFESSIONAL LAW CORPORATION

333 TEXAS STREET, SUITE 1700

POST OFFICE BOX 22260

SHREVEPORT, LOUISIANA 71120-2260

www.cykg.com

J. William Fleming

**Writer's Direct
(318) 227-7724
fleming@cykg.com**

January 17, 2006

TELEPHONE (318) 221-6277

TELECOPIER (318) 227-7850

When calling relative to this
matter, refer to file No. 1333.

Honorable James H. Welsh
Commissioner of Conservation
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

**RE: Hosston Zone, Reservoir A
Cotton Valley Formation, Reservoir A
Elm Grove Field
Caddo and Bossier Parishes, Louisiana**

APPLICATION FOR PUBLIC HEARING

Dear Sir:

KCS Resources, Inc. hereby makes application pursuant to the revised rules of procedure for a public hearing to consider evidence relating to the following matters pertaining to the Hosston Zone, Reservoir A, and the Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo and Bossier Parishes, Louisiana:

1. To authorize KCS Resources, Inc. to drill, complete and utilize an additional alternate unit well on HOSS RA SU63 and CV RA SU69, at the exceptional location in Section 9-T15N-R12W, Caddo Parish, Louisiana, as shown on the attached plats;
2. To find that the proposed alternate unit wells are necessary to efficiently and effectively drain a portion of the Hosston Zone, Reservoir A, and the Cotton Valley Formation, Reservoir A, underlying the respective units which cannot be efficiently and effectively drained by any other well;
3. To authorize the unit allowable for these Hosston Zone, Reservoir A, and Cotton Valley Formation, Reservoir A, units to be recovered from the any of the wells located on the units, at the discretion of the operator; and
4. To consider and cover such other matters as the Commissioner of Conservation may deem appropriate and necessary under the circumstances.

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The Hosston Zone, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-A-1, effective October 1, 1972, and was further defined in subsequent orders of the Orders of the 361-A Series of Orders.

The Cotton Valley Formation, Reservoir A, in the Elm Grove Field, Caddo, Bossier, Webster and Bienville Parishes, Louisiana, was defined in Office of Conservation Order No. 361-B, effective October 1, 1973, and was further defined in subsequent Orders of the 361-B Series of Orders.

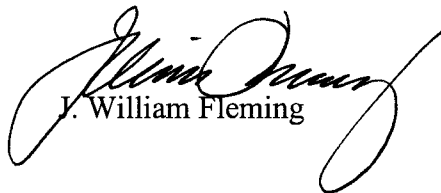
The subject matter of this application does not require the issuance of a Pre-Application Notice.

Any pertinent data relating to this matter can be obtained at the cost of the requesting party, from Mr. Ron Tuminello, 416 Travis Street, Suite 804, Shreveport, Louisiana 71101, at telephone number (318) 425-4789.

The attached list includes the names of all Interested Owners, Represented Parties and Interested Parties known to Applicant after a diligent search and a copy of this application, with plats attached, is being sent to each such party. Pursuant to Office of Conservation regulations, such list of parties is being furnished only to the Commissioner of Conservation and to the District Manager of the Shreveport District of the Office of Conservation; however, the list of parties will be provided to any person requesting a copy of it. Also enclosed are the application fees.

Yours very truly,

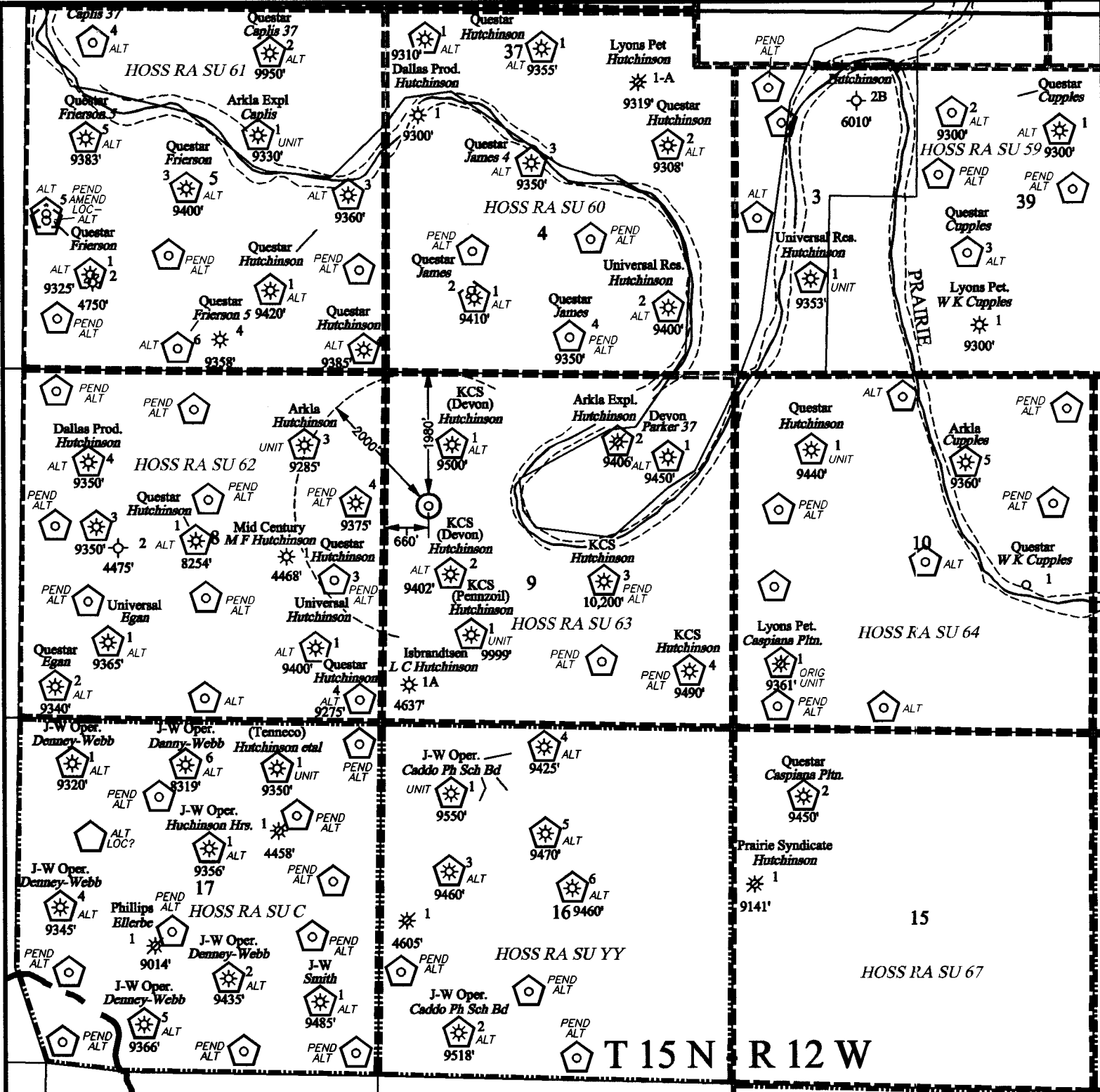
COOK, YANCEY, KING & GALLOWAY


J. William Fleming

jwf:s

Enclosures

cc: James C. Broussard, District Manager
Interested Owners, Represented
Parties and Interested Parties
Mr. Ron Tuminello



KCS RESOURCES, INC.
TULSA, OKLAHOMA



TULSA, OKLAHOMA

ELM GROVE FIELD
CADDO PARISH, LOUISIANA

CADDO PARISH, LOUISIANA

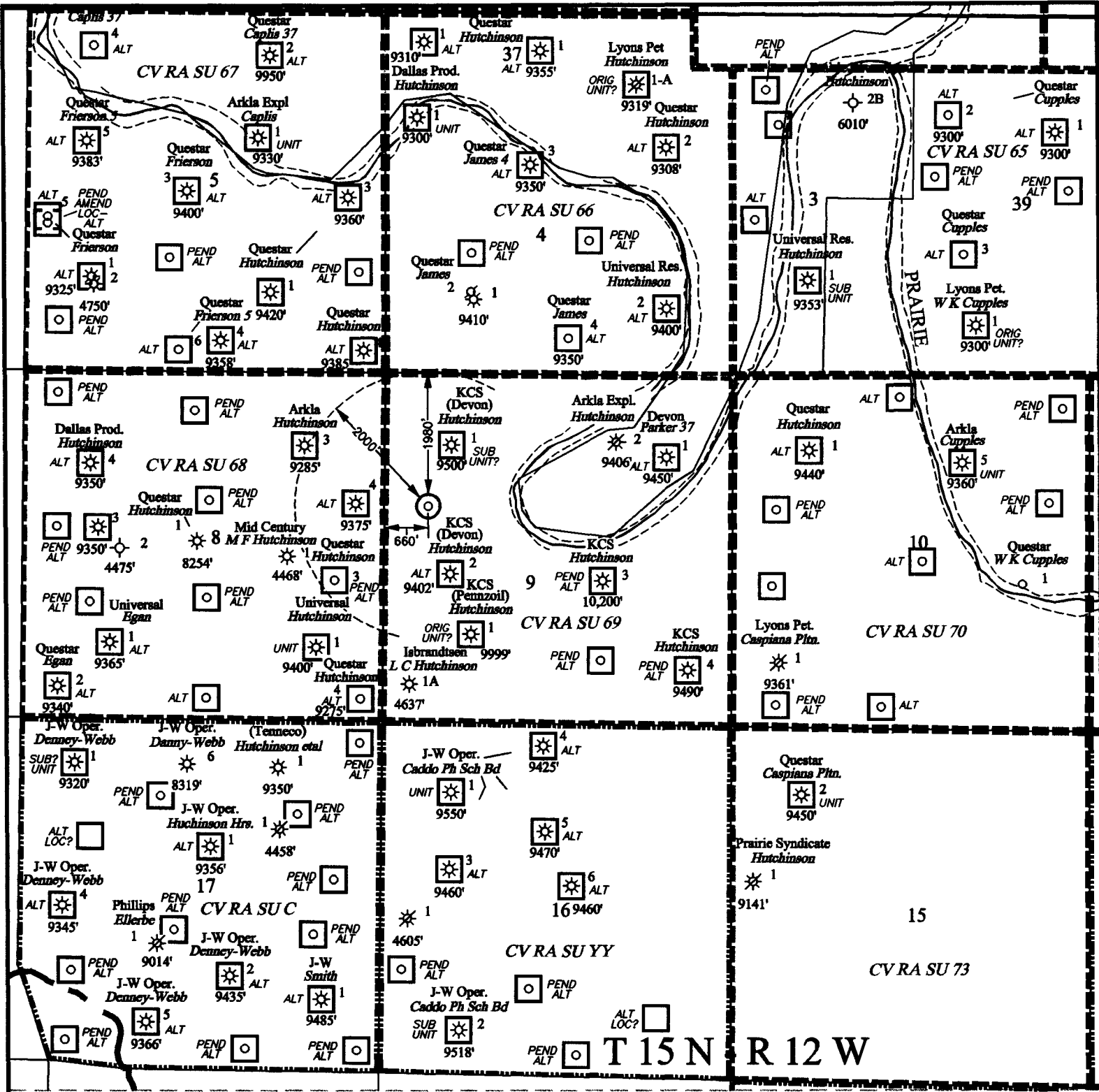
**PROPOSED ADDITIONAL ALTERNATE UNIT WELL
AT EXCEPTIONAL LOCATION FOR
HOSSTON RESERVOIR A SAND UNIT 63**

- - - - - : EXISTING UNITS
 ELM GROVE FIELD
 - : EXISTING UNITS
 CASPIANA FIELD

-  : EXISTING HOSS RES A
UNIT AND ALT UNIT WELLS
-  : APPROVED HOSS RES A
UNIT AND ALT UNIT WELL LOCS

- ⊙ : PROPOSED ALTERNATE UNIT WELL





KCS RESOURCES, INC.
TULSA, OKLAHOMA

ELM GROVE FIELD
CADDO PARISH, LOUISIANA

**PROPOSED ADDITIONAL ALTERNATE UNIT WELL
AT EXCEPTIONAL LOCATION FOR
COTTON VALLEY RESERVOIR A SAND UNIT 69**

- : EXISTING UNITS
ELM GROVE FIELD
- : EXISTING UNITS
CASPIANA FIELD
- ☼ : EXISTING CV RES A
UNIT AND ALT UNIT WELLS
- : APPROVED CV RES A
UNIT AND ALT UNIT WELL LOCS
- ⊙ : PROPOSED ALTERNATE UNIT WELL

